

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

**W-02089A**  
**Bradshaw Mountain View Water**  
**PO Box 10593**  
**Sedona, AZ 86339**

B

APR 15 2005

AL SUPPLY & SERVICE  
DISTRIBUTION

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2004
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FOR COMMISSION USE

ANN04	04
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## COMPANY INFORMATION

**Company Name (Business Name)** Kyllo Development Corp dba Bradshaw Mountain View Water

Mailing Address PO Box 10593  
(Street)

Sedona  
(City)

Arizona  
(State)

86339  
(Zip)

928-204-0604  
Telephone No. (Include Area Code)

Fax No. (Include Area Code)

928-301-3723  
Pager/Cell No. (Include Area Code)

Email Address timkyllo@msn.com

Local Office Mailing Address \_\_\_\_\_  
(Street)

\_\_\_\_\_  
(City)

\_\_\_\_\_  
(State)

\_\_\_\_\_  
(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address \_\_\_\_\_

## MANAGEMENT INFORMATION

**Management Contact:** Tim Kyllo  
(Name)

**Pres** \_\_\_\_\_  
(Title)

POBox 10593  
(Street)

Sedona  
(City)

AZ  
(State)

86339  
(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address \_\_\_\_\_

**On Site Manager:** \_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Street)

\_\_\_\_\_  
(City)

\_\_\_\_\_  
(State)

\_\_\_\_\_  
(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address \_\_\_\_\_

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

**Statutory Agent:** Tim Kylo \_\_\_\_\_  
(Name)

PO Box 10593 \_\_\_\_\_ Sedona \_\_\_\_\_ AZ \_\_\_\_\_ 86339 \_\_\_\_\_  
(Street) (City) (State) (Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Attorney:** \_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Street)

\_\_\_\_\_  
(City)

\_\_\_\_\_  
(State)

\_\_\_\_\_  
(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

### **OWNERSHIP INFORMATION**

Check the following box that applies to your company:

- |   |   |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S)    | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input checked="" type="checkbox"/> Subchapter S Corporation (Z)          |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co-op (A)                            |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                        |
| <input type="checkbox"/> Other (Describe) _____ |   |

### **COUNTIES SERVED**

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |   |                                   |
|-------------------------------------|---|-----------------------------------|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE            | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM             | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA           | <input type="checkbox"/> MOHAVE   |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA               | <input type="checkbox"/> PINAL    |
| <input type="checkbox"/> SANTA CRUZ | <input checked="" type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA     |
| <input type="checkbox"/> STATEWIDE  |   |                                   |

**UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	10,271	10,271	
302	Franchises			
303	Land and Land Rights	5,500		5,500
304	Structures and Improvements	14,205	11,823	2,382
307	Wells and Springs	77,796	26,869	50,927
311	Pumping Equipment	42,698	33,681	9,017
320	Water Treatment Equipment	1,735	1,213	522
330	Distribution Reservoirs and Standpipes	34,148	21,420	12,728
331	Transmission and Distribution Mains	163,552	163,552	
333	Services	110,886	48,955	61,931
334	Meters and Meter Installations	46,950	30,984	15,967
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	1,600	1,090	510
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>509,341</b>	<b>349,858</b>	<b>158,973</b>

This amount goes on the Balance Sheet Acct. No. 108



**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	10,271		
302	Franchises			
303	Land and Land Rights	5,500		
304	Structures and Improvements	14,205	5%	710
307	Wells and Springs	77,796	5%	3,890
311	Pumping Equipment	42,698	5%	2,135
320	Water Treatment Equipment	1,735	5%	87
330	Distribution Reservoirs and Standpipes	34,148	5%	1,707
331	Transmission and Distribution Mains	163,552		
333	Services	110,886	5%	5,544
334	Meters and Meter Installations	46,950	5%	2,348
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	1,600	5%	80
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>509,341</b>		<b>16,421</b>

This amount goes on the Comparative Statement of Income and Expense \_\_\_\_\_  
 Acct. No. 403.

**BALANCE SHEET**

<b>Acct No.</b>	<b>ASSETS</b>	<b>BALANCE AT BEGINNING OF YEAR</b>	<b>BALANCE AT END OF YEAR</b>
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 2,304	\$ 3,359
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	<b>\$ 2,304</b>	<b>\$ 3,359</b>
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 467,950	\$ 509,341
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	333,357	349,858
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	<b>\$ 134,593</b>	<b>\$ 158,973</b>
	<b>TOTAL ASSETS</b>	<b>\$ 136,897</b>	<b>\$ 162,332</b>

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

**BALANCE SHEET (CONTINUED)**

<b>Acct. No.</b>		<b>BALANCE AT BEGINNING OF YEAR</b>	<b>BALANCE AT END OF YEAR</b>
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITES</b>		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	7,893	8,750
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 7,893	\$8,750
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 151,007	\$143,757
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	18,920	17,150
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$ 18,920	\$ 17,150
	<b>TOTAL LIABILITIES</b>	\$	\$ 169,657
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	(56,364)	
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$	\$
	<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$ 80,533</b>	<b>\$162,332</b>

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$183,397	\$ 173,169
460	Unmetered Water Revenue		
474	Other Water Revenues	1,293	
	<b>TOTAL REVENUES</b>	<b>\$ 184,690</b>	<b>\$ 173,169</b>
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	23,221	21,337
618	Chemicals	2,500	2,700
620	Repairs and Maintenance	27,450	26,500
621	Office Supplies and Expense	2,500	2,500
630	Outside Services	73,500	83,848
635	Water Testing	3,500	2,125
641	Rents	12,000	12,000
650	Transportation Expenses		
657	Insurance – General Liability	9,275	8,800
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	1,200	1,200
403	Depreciation Expense	14,677	16,421
408	Taxes Other Than Income		
408.11	Property Taxes	9,427	9,645
409	Income Tax		
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 179,250</b>	<b>\$187,076</b>
	<b>OPERATING INCOME/(LOSS)</b>	<b>\$4,147</b>	<b>\$ (13,907)</b>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	10,240	9,750
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	<b>\$</b>	<b>\$ 9,750</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$ (6,093)</b>	<b>\$(23,657)</b>



**COMPANY NAME**

**SUPPLEMENTAL FINANCIAL DATA**

**Long-Term Debt**

	<b>LOAN #1</b>	<b>LOAN #2</b>	<b>LOAN #3</b>	<b>LOAN #4</b>
Date Issued	1/1/86			
Source of Loan	Sp valley dev			
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$223,000	\$	\$	\$
Amount Outstanding	\$ 142,757	\$	\$	\$
Date of Maturity	2016			
Interest Rate	7% %	%	%	%
Current Year Interest	\$9,750	\$	\$	\$
Current Year Principle	\$8,250	\$	\$	\$

Meter Deposit Balance at Test Year End

\$16,550

Meter Deposits Refunded During the Test Year

\$1,265

**COMPANY NAME** Bradshaw Mountainview Water co

## **WATER COMPANY PLANT DESCRIPTION**

### **WELLS**

<b>ADWR ID Number*</b>	<b>Pump Horsepower</b>	<b>Pump Yield (gpm)</b>	<b>Casing Depth (Feet)</b>	<b>Casing Diameter (Inches)</b>	<b>Meter Size (inches)</b>	<b>Year Drilled</b>
55-610558	10	200				
55-610557	5	60				
55-610556	7.5	300				

\* Arizona Department of Water Resources Identification Number

### **OTHER WATER SOURCES**

<b>Name or Description</b>	<b>Capacity (gpm)</b>	<b>Gallons Purchased or Obtained (in thousands)</b>

<b>BOOSTER PUMPS</b>		<b>FIRE HYDRANTS</b>	
<b>Horsepower</b>	<b>Quantity</b>	<b>Quantity Standard</b>	<b>Quantity Other</b>
20	1	6	

<b>STORAGE TANKS</b>		<b>PRESSURE TANKS</b>	
<b>Capacity</b>	<b>Quantity</b>	<b>Capacity</b>	<b>Quantity</b>
125000			
65000			

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2		
3	pvc	3500
4	Pvc	11,500
5		
6	pvc	42,768
8		
10		
12		

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	369
3/4	161
1	
1 1/2	2
2	6
Comp. 3	1
Turbo 3	1
Comp. 4	1
Tubo 4	
Comp. 6	
Tubo 6	

**For the following three items, list the utility owned assets in each category.**

TREATMENT Liquid injection chlorinator

STRUCTURES: Small Well houses and fenced lots

OTHER:

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**COMPANY NAME: Bradshaw Mountain View Water**

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2004**

<b>MONTH</b>	<b>NUMBER OF CUSTOMERS</b>	<b>GALLONS SOLD</b>	<b>GALLON PUMPED (Thousands)</b>
<b>JANUARY</b>	538	2925	3254
<b>FEBRUARY</b>	538	2852	3126
<b>MARCH</b>	535	2701	2982
<b>APRIL</b>	541	3907	4106
<b>MAY</b>	539	4836	5186
<b>JUNE</b>	532	4590	4836
<b>JULY</b>	533	4734	4905
<b>AUGUST</b>	537	4424	4526
<b>SEPTEMBER</b>	535	4281	4385
<b>OCTOBER</b>	534	3258	3426
<b>NOVEMBER</b>	533	2341	2516
<b>DECEMBER</b>	530	2905	3205
<b>TOTAL</b>			46,453

**Is the Water Utility located in an ADWR Active Management Area (AMA)?**

☐ Yes                      ☒ No

**Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?**

☐ Yes                      ☒ No

**If yes, provide the GPCPD amount:** \_\_\_\_\_

**What is the level of arsenic for each well on your system.** \_\_\_\_\_ mg/l

*(If more than one well, please list each separately.)*

***Note: If you are filing for more than one system, please provide separate data sheets for each system.***

COMPANY NAME Bradshaw Mountainview water YEAR ENDING 12/31/2004

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2004 was: \$ 9,645.96

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

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**COMPANY NAME** \_\_\_\_\_ Bradshaw Mountain View Water \_\_\_\_\_ **YEAR ENDING 12/31/2004**

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported \_\_\_\_\_ s corp \_\_\_\_\_  
Estimated or Actual Federal Tax Liability \_\_\_\_\_

State Taxable Income Reported \_\_\_\_\_  
Estimated or Actual State Tax Liability \_\_\_\_\_

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances \_\_\_\_\_  
Amount of Gross-Up Tax Collected \_\_\_\_\_  
Total Grossed-Up Contributions/Advances \_\_\_\_\_

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

  
\_\_\_\_\_  
**SIGNATURE**

\_\_\_\_\_  
4/12/05  
**DATE**

\_\_\_\_\_  
Timothy L Kylo  
**PRINTED NAME**

\_\_\_\_\_  
Pres  
**TITLE**

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**

APR 15 2005

**VERIFICATION**

**STATE OF ARIZONA**

**I, THE UNDERSIGNED**

**OF THE**

COUNTY OF (COUNTY NAME) <u>YAVAPAI</u>	
NAME (OWNER OR OFFICIAL) <u>TIM KYLLO</u>	TITLE <u>PRES</u>
COMPANY NAME <u>Kyllo Inc. dba Bradshaw Mtn View Water Co.</u>	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION  
FOR THE YEAR ENDING**

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2004</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.


**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2004 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES  \$ <u>171,680</u>
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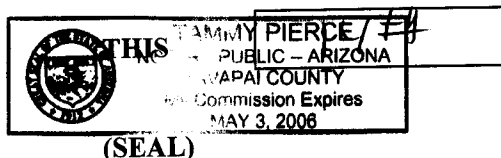
(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 10,300  
IN SALES TAXES BILLED, OR COLLECTED)

**\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.**

  
SIGNATURE OF OWNER OR OFFICIAL  
928-301-5723  
TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME**

**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**



**DAY OF**

NOTARY PUBLIC NAME <u>Tammy Pierce</u>	
COUNTY NAME <u>Yavapai</u>	
MONTH <u>April</u>	<u>20</u> <u>05</u>

**MY COMMISSION EXPIRES**

May 3, 2006

X

  
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

APR 15 2005

**VERIFICATION**

STATE OF \_\_\_\_\_

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>YAVAPI</u>
NAME (OWNER OR OFFICIAL) TITLE <u>TIMOTHY L KYLLO</u>
COMPANY NAME <u>Kyllo Rev dba Bradshaw Mountain</u>

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2004 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

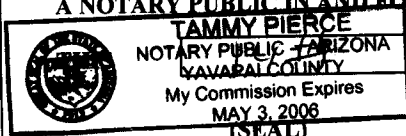
\$ 190,880

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 11,712  
IN SALES TAXES BILLED, OR COLLECTED)

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF



DAY OF

COUNTY NAME <u>Yavapai</u>	
MONTH <u>April</u>	20 <u>05</u>

MY COMMISSION EXPIRES May 3, 2006

[Signature]  
SIGNATURE OF OWNER OR OFFICIAL  
928-301-3723  
TELEPHONE NUMBER

[Signature]  
SIGNATURE OF NOTARY PUBLIC